

House Bill 272

By: Representatives Cox of the 102nd, Sheldon of the 105th, and Rice of the 51st

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 2 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated,
2 relating to the joint county and municipal sales and use tax, so as to change certain provisions
3 regarding distribution certificates; to change certain provisions regarding annual adjustment
4 of millage rates; to provide for an effective date; to repeal conflicting laws; and for other
5 purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 2 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to the
9 joint county and municipal sales and use tax, is amended in Code Section 48-8-89, relating
10 to distribution certificates and use of proceeds, by revising the introductory language of
11 subsection (b) immediately preceding paragraph (1) as follows:

12 ~~"(b) It is the intent of the General Assembly that no agreement as to the distribution of the~~
13 ~~proceeds of the tax shall enrich any political subdivision beyond a sum which in the~~
14 ~~absence of the distribution would be raised through other sources of revenue. The~~
15 distribution shall be in accordance with a certificate which shall be executed in behalf of
16 each respective governing authority, except as otherwise provided in this subsection, and
17 which shall encompass all respective political subdivisions, shall be filed with the
18 commissioner, and shall specify by percentage that portion of the remaining proceeds of
19 the tax available for distribution which each such political subdivision shall receive. On or
20 after July 1, ~~1995~~ 2009, the distribution of proceeds of the tax as specified in the certificate
21 shall be based upon, but not be limited to, the following criteria:"

22 **SECTION 2.**

23 Said article is further amended by revising subsection (a) of Code Section 48-8-91, relating
24 to annual adjustment of millage rates, as follows:

25 "(a) As a condition precedent for authority to levy the tax or to collect any proceeds from
26 the tax authorized by this article for the year following the initial year in which it is levied
27 and for all subsequent years, the county whose geographical boundary is conterminous with
28 that of the special district and each qualified municipality therein receiving any proceeds
29 of the tax shall adjust annually the millage rate for ad valorem taxation of tangible property
30 within such political subdivisions as provided in this subsection. The governing authority
31 of each such political subdivision shall compute the millage rate necessary to produce
32 revenue from taxation of tangible property in its respective political subdivision which,
33 when combined with other revenues reasonably expected to be received by the political
34 subdivision during the year other than revenues derived from the tax imposed pursuant to
35 this article, would provide revenues sufficient to defray the expenses of the political
36 subdivision for the year. The millage rate so ascertained shall then be reduced by a millage
37 rate which, if levied against the tangible property within the political subdivision, would
38 produce an amount equal to the distribution of 50 percent of the proceeds of the tax
39 imposed by this article which were received by the political subdivision during the
40 preceding year. The tax bill of each ad valorem taxpayer in the political subdivision shall
41 show in a prominent manner the millage rate first ascertained as provided in this subsection
42 and shall show such millage rate reduced by the millage rate required to raise an amount
43 of revenue equal to the distribution of 50 percent of the proceeds of the tax imposed by this
44 article during the previous year. The remainder shall be the millage rate upon which each
45 taxpayer's bill shall be based. The tax authority of each such political subdivision shall
46 cause to be shown in a prominent manner on the tax bill of each ad valorem taxpayer the
47 dollar amount of reduction of ad valorem property taxes which the taxpayer has received
48 as a result of the political subdivision's sharing in the proceeds of the tax authorized to be
49 imposed by this article; provided, however, that the dollar amount of reduction of ad
50 valorem property taxes shall not be calculated or shown on those forms used for the
51 registration and taxation of motor vehicles or trailers."

52 **SECTION 3.**

53 This Act shall become effective on July 1, 2009.

54 **SECTION 4.**

55 All laws and parts of laws in conflict with this Act are repealed.